THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

Writ Petition No.1743 of 2007

Date:01.02.2007

Between

B.Narendra Naidu.

----------Petitioner

And

The Managing Director and others.

----------Respondents

ORDER:

M/s. Luster Granites Private Limited owned land in Survey No.11 of Annojiguda Village, Pocharam Gram Panchayat, Ghatkesar Mandal, Ranga Reddy District and established an industrial unit by obtaining financial assistance from the A.P. State Financial Corporation. On account of the default committed by it in payment of the instalments, the Corporation seized the unit and the land. In the auction held for the sale of the land, the petitioner emerged as the highest bidder and the property was conveyed to him, through a sale deed, dated 16.06.2003.

The petitioner obtained two separate power connections from respondents 2 to 4; one for the purpose of pump set and the other for domestic use. The power supply to the petitioner was disconnected by respondents 2 to 4, on the ground that he did not clear the arrears of electricity charges of the previous owner of the land. The petitioner challenges the action of the

respondents and prays for a direction to them for restoration of power of supply.

Heard the learned counsel for the petitioner and the learned counsel for the respondents.

It is a matter of record that the petitioner emerged as the highest bidder in the auction conducted by the Andhra Pradesh State Financial Corporation, for the sale of industrial unit and land. By the time, the land was purchased, it did not have the electricity supply. The petitioner obtained two connections from respondents 1 to 4. They disconnected the power supply on 08.01.2007, on the sole ground that the previous owner of the land did not clear the arrears.

The question as to whether the power supply to an auction purchaser can be disconnected, on account of the default committed by the consumer, who held the property, is no more *res integra*. In ***Isha Marbles vs. Bihar State Electricity Board***[1], the Supreme Court held that an auction purchaser cannot be held liable to pay the arrears, that accumulated to the account of the previous owner of the property. The same principle was reiterated by the Supreme Court in its Judgment in ***Ahmedabad Electricity Co. Ltd vs. Gujarat Inns Pvt. Ltd***[2].

For the foregoing reasons, the Writ Petition is

allowed, directing the respondents to restore power supply to the two connections viz., Service Nos. 425-79 and 17601-1253, of the land of the petitioner in Survey No.11 of Annojiguda Village, Ghatkesar Mandal, Ranga Reddy District, forthwith, in case, there did not exist any arrears in respect of the said connections. There shall be no order as to costs.

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01.02.2007

Note: Issue C.C. today.

(B/o)

Jsu

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[1] (1995) 2 SUPREME COURT CASES 648

[2] AIR 2004 SUPREME COURT 2171